

Fill in this information to identify your case:

United States Bankruptcy Court for the:

NORTHERN DISTRICT OF CALIFORNIA

Case number (if known)

Chapter 11

Check if this an
amended filing

Official Form 201

Voluntary Petition for Non-Individuals Filing for Bankruptcy

04/22

If more space is needed, attach a separate sheet to this form. On the top of any additional pages, write the debtor's name and the case number (if known). For more information, a separate document, *Instructions for Bankruptcy Forms for Non-Individuals*, is available.

1. Debtor's name	<u>Artesian Future Technology, LLC</u>		
2. All other names debtor used in the last 8 years Include any assumed names, trade names and doing business as names	DBA Artesian Builds DBA Artesian, LLC DBA BLDYR, Inc. DBA Artesian		
3. Debtor's federal Employer Identification Number (EIN)	<u>82-3933004</u>		
4. Debtor's address	Principal place of business <u>399 Grand Avenue Oakland, CA 94610</u> Number, Street, City, State & ZIP Code	Mailing address, if different from principal place of business <u>5801 Cascade Drive Chapel Hill, NC 27514</u> P.O. Box, Number, Street, City, State & ZIP Code	Location of principal assets, if different from principal place of business Number, Street, City, State & ZIP Code
5. Debtor's website (URL)			
6. Type of debtor	<input checked="" type="checkbox"/> Corporation (including Limited Liability Company (LLC) and Limited Liability Partnership (LLP)) <input type="checkbox"/> Partnership (excluding LLP) <input type="checkbox"/> Other. Specify: _____		

7. Describe debtor's business A. Check one:

- Health Care Business (as defined in 11 U.S.C. § 101(27A))
- Single Asset Real Estate (as defined in 11 U.S.C. § 101(51B))
- Railroad (as defined in 11 U.S.C. § 101(44))
- Stockbroker (as defined in 11 U.S.C. § 101(53A))
- Commodity Broker (as defined in 11 U.S.C. § 101(6))
- Clearing Bank (as defined in 11 U.S.C. § 781(3))
- None of the above

B. Check all that apply

- Tax-exempt entity (as described in 26 U.S.C. §501)
- Investment company, including hedge fund or pooled investment vehicle (as defined in 15 U.S.C. §80a-3)
- Investment advisor (as defined in 15 U.S.C. §80b-2(a)(11))

C. NAICS (North American Industry Classification System) 4-digit code that best describes debtor. See <http://www.uscourts.gov/four-digit-national-association-naics-codes>.

3341

8. Under which chapter of the Bankruptcy Code is the debtor filing? Check one:

- Chapter 7
- Chapter 9
- Chapter 11. Check all that apply:

- Debtor's aggregate noncontingent liquidated debts (excluding debts owed to insiders or affiliates) are less than \$3,024,725 (amount subject to adjustment on 04/01/25 and every 3 years after that).
- The debtor is a small business debtor as defined in 11 U.S.C. § 101(51D). If the debtor is a small business debtor, attach the most recent balance sheet, statement of operations, cash-flow statement, and federal income tax return, or if all of these documents do not exist, follow the procedure in 11 U.S.C. § 1116(1)(B).
- The debtor is a small business debtor as defined in 11 U.S.C. § 101(51D) and it chooses to proceed under Subchapter V of Chapter 11.
- A plan is being filed with this petition.
- Acceptances of the plan were solicited prepetition from one or more classes of creditors, in accordance with 11 U.S.C. § 1126(b).
- The debtor is required to file periodic reports (for example, 10K and 10Q) with the Securities and Exchange Commission according to § 13 or 15(d) of the Securities Exchange Act of 1934. File the *Attachment to Voluntary Petition for Non-Individuals Filing for Bankruptcy under Chapter 11* (Official Form 201A) with this form.
- The debtor is a shell company as defined in the Securities Exchange Act of 1934 Rule 12b-2.

- Chapter 12

9. Were prior bankruptcy cases filed by or against the debtor within the last 8 years?

- No.
- Yes.

If more than 2 cases, attach a separate list.

District _____	When _____	Case number _____
District _____	When _____	Case number _____

10. Are any bankruptcy cases pending or being filed by a business partner or an affiliate of the debtor?

- No
- Yes.

List all cases. If more than 1, attach a separate list

Debtor _____	Relationship _____	
District _____	When _____	Case number, if known _____

Debtor

Artesian Future Technology, LLC

Name

Case number (*if known*)**11. Why is the case filed in this district?***Check all that apply:*

Debtor has had its domicile, principal place of business, or principal assets in this district for 180 days immediately preceding the date of this petition or for a longer part of such 180 days than in any other district.

A bankruptcy case concerning debtor's affiliate, general partner, or partnership is pending in this district.

12. Does the debtor own or have possession of any real property or personal property that needs immediate attention? No Yes. Answer below for each property that needs immediate attention. Attach additional sheets if needed.**Why does the property need immediate attention? (Check all that apply.)**

It poses or is alleged to pose a threat of imminent and identifiable hazard to public health or safety.

What is the hazard? _____

It needs to be physically secured or protected from the weather.

It includes perishable goods or assets that could quickly deteriorate or lose value without attention (for example, livestock, seasonal goods, meat, dairy, produce, or securities-related assets or other options).

 Other _____**Where is the property?**

Number, Street, City, State & ZIP Code

Is the property insured? No Yes. Insurance agency _____

Contact name _____

Phone _____

Statistical and administrative information**13. Debtor's estimation of available funds***Check one:* Funds will be available for distribution to unsecured creditors. After any administrative expenses are paid, no funds will be available to unsecured creditors.**14. Estimated number of creditors**

1-49
 50-99
 100-199
 200-999

1,000-5,000
 5001-10,000
 10,001-25,000

25,001-50,000
 50,001-100,000
 More than 100,000

15. Estimated Assets

\$0 - \$50,000
 \$50,001 - \$100,000
 \$100,001 - \$500,000
 \$500,001 - \$1 million

\$1,000,001 - \$10 million
 \$10,000,001 - \$50 million
 \$50,000,001 - \$100 million
 \$100,000,001 - \$500 million

\$500,000,001 - \$1 billion
 \$1,000,000,001 - \$10 billion
 \$10,000,000,001 - \$50 billion
 More than \$50 billion

16. Estimated liabilities

\$0 - \$50,000
 \$50,001 - \$100,000
 \$100,001 - \$500,000
 \$500,001 - \$1 million

\$1,000,001 - \$10 million
 \$10,000,001 - \$50 million
 \$50,000,001 - \$100 million
 \$100,000,001 - \$500 million

\$500,000,001 - \$1 billion
 \$1,000,000,001 - \$10 billion
 \$10,000,000,001 - \$50 billion
 More than \$50 billion

Request for Relief, Declaration, and Signatures

WARNING -- Bankruptcy fraud is a serious crime. Making a false statement in connection with a bankruptcy case can result in fines up to \$500,000 or imprisonment for up to 20 years, or both. 18 U.S.C. §§ 152, 1341, 1519, and 3571.

**17. Declaration and signature
of authorized
representative of debtor**

The debtor requests relief in accordance with the chapter of title 11, United States Code, specified in this petition.

I have been authorized to file this petition on behalf of the debtor.

I have examined the information in this petition and have a reasonable belief that the information is true and correct.

I declare under penalty of perjury that the foregoing is true and correct.

Executed on 4/22/2022
MM / DD / YYYY

X /s/ Noah Katz
Signature of authorized representative of debtor

Noah Katz
Printed name

Title CEO

18. Signature of attorney **X** /s/ Michael W. Malter
Signature of attorney for debtor

Date 4/22/2022
MM / DD / YYYY

Michael W. Malter #96533
Printed name

Binder & Malter, LLP
Firm name

**2775 Park Avenue
Santa Clara, CA 95050**
Number, Street, City, State & ZIP Code

Contact phone (408) 295-1700 Email address Michael@bindermalter.com

#96533 CA
Bar number and State

United States Bankruptcy Court
Northern District of California

In re **Artesian Future Technology, LLC**
(Debtor)

Case No. _____
Chapter **11** _____

STATEMENT REGARDING AUTHORITY TO SIGN AND FILE PETITION

I, **Noah Katz**, declare under penalty of perjury that I am the sole equity holder, President and CEO of **Artesian Future Technology, LLC** (the “Company”) and that the following is a unanimous resolution adopted by the sole equity holder and Board of Directors of said limited liability company (the “Company”) in lieu of a special meeting effective as of 11th day of April, 2022.

Whereas, I am the sole member of the board of the Company, the sole officer and its sole equity holder. I have reviewed the financial situation, prospects, assets and liabilities and the interests of the creditors and equity holders of the Company;

Whereas, I have determined that the Company is insolvent and is unable to pay its debts as they become due.

Whereas, the Company has shut down its normal business operations and laid-off or otherwise terminated its employees;

Whereas, the Company requires additional capital to conduct an orderly liquidation of its assets with the goal to maximize the return to creditors;

Whereas, the Company and its creditors would best be served by reorganization under Chapter 11 of the Bankruptcy Code; and,

Whereas, it is in the best interest of the Company to file a voluntary petition in the United States Bankruptcy Court pursuant to Chapter 11 of Title 11 of the United States Code.

Be It Therefore Resolved, that **Noah Katz**, President and CEO of this Company, is authorized and directed to execute and deliver all documents necessary to perfect the filing of a chapter **11** voluntary bankruptcy case on behalf of the Company;

Be It Further Resolved, that **Noah Katz**, President and CEO of this Company is authorized and directed to employ **Michael W. Malter #96533**, attorney and the law firm of **Binder & Malter, LLP** to represent the Company in such bankruptcy case;

Be It Further Resolved, that **Noah Katz**, President and CEO of this Company, is authorized and directed to ratify the engagement of **Edward Webb of BPM, LLP** as Chief Restructuring Officer of this Company, to appear at all bankruptcy proceedings on behalf of the Company, and to otherwise do and perform all acts and deeds and to execute and deliver all necessary documents on behalf of the Company in connection with such bankruptcy case including but not limited to being appointed as the Responsible Individual on behalf of the Company;

Be it Further Resolved that **Edward Webb** is authorized to open new bank accounts for the Company at Comerica Bank or any other financial institution both prior to and after bankruptcy is filed for the Company and that Edward Webb may be designated as the authorized signatory on behalf of the Company on such bank accounts;

Be it Further Resolved that **Edward Webb** is authorized to arrange for a sale of substantially all the assets of the Company, propose of a plan of reorganization and engage other professionals and advisors on behalf of the Company as deemed necessary and appropriate upon such terms and conditions as shall be approved by the Company's officers in their reasonable discretion, to render services to this Company in connection with such Chapter 11 proceeding and with respect to other related matters in connection therewith; and,

Be it Further Resolved that the Company's officers and **Edward Webb** are authorized and directed to take any and all further action and to execute and deliver any and all such further instruments and documents and to pay all such expenses (subject to Bankruptcy Court approval), where necessary or appropriate in order to carry out fully the intent and accomplish the purposes of these resolutions.

4/16/2022

Date _____

Signed _____ /s/ Noah Katz
Noah Katz, President & CEO

1 MICHAEL W. MALTER, #96533
2 ROBERT G. HARRIS, #124678
2 JULIE H. ROME-BANKS, #142364
3 Binder & Malter, LLP
3 2775 Park Avenue
Santa Clara, CA 95050
4 B: 408-295-1700
F: 408-295-1531
5 Email: michael@bindermalter.com
Email: rob@bindermalter.com
6 Email: julie@bindermalter.com

7 Proposed Attorneys for Debtor
Artesian Future Technology, LLC
8

9 **UNITED STATES BANKRUPTCY COURT**

10 **NORTHERN DISTRICT OF CALIFORNIA, OAKLAND DIVISION**

11
12
13
14 In re: Case No.
15 ARTESIAN FUTURE TECHNOLOGY, Chapter 11
LLC, a North Carolina limited liability
16 company,
17 Debtor.

18
19 **DECLARATION REGARDING FINANCIAL STATEMENTS**
AND INCOME TAX RETURN

20
21 I, Edward S. Webb, hereby declare:

22 1. I am the proposed Chief Restructuring Office of Debtor ARTESIAN
23 FUTURE TECHNOLOGY, LLC and make this declaration on the Debtor's behalf.

24 2. I have personal knowledge of the matters set forth in this Declaration,
25 except as to those matters alleged upon information and belief and as to those matters I
26 believe them to be true. If called upon as a witness, I could and would testify as follows.
27

28 DECLARATION REGARDING FINANCIAL STATEMNTS AND INCOME TAX RETURNS

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3. The Debtor is filing a voluntary petition under Chapter 11, United States Code as a small business case under Sub Chapter V.

4. Pursuant to 11 U.S.C. §1161, I am attaching the Debtor's most recently prepared balance sheet and statement of operations (income statement). Based upon my review of the books and records of the Debtor, I am able to state based on my personal knowledge that the Debtor has never prepared a cash flow statement. Therefore, no statement of operations is attached.

5. In addition, based upon my review of the books and records of the Debtor, I am able to state based on my personal knowledge that the Debtor does not file federal income tax returns. The Debtor is a single member limited liability company established under North Carolina law. The sole member of the Debtor is Noah Katz. As such, the default tax classification under the Internal Revenue Code provides that the Debtor is treated as a pass-through entity for federal income tax purposes and the Debtor's income and expenses are reported on Mr. Katz's personal federal income tax return. Accordingly, the Debtor does not have a federal income tax return to attach.

I declare under penalty of perjury that the foregoing is true and correct, and that this declaration was executed on April 22, 2022 in Newtown Square, Pennsylvania.

/s/ Edward Webb
Edward Webb

Artesian Builds
Profit and Loss
January - December 2021

	Total		
	Jan - Dec 2021	Jan - Dec 2020 (PY)	Change
Income			
Sales of Product Revenue	11,704,481.33	1,375,825.73	10,328,655.60
Amazon FBA Revenue	4,122.95		4,122.95
Mining Business Revenue	395,000.00		395,000.00
Square Income	5,089,176.67	801,091.37	4,288,085.30
Twitch Live Upgrade Revenues	160,977.76		160,977.76
Total Sales of Product Revenue	\$ 17,353,758.71	\$ 2,176,917.10	\$ 15,176,841.61
Shipping Income	0.00	20,231.02	-20,231.02
Subscriptions/ Live Upgrades		3,777.94	-3,777.94
Total Income	\$ 17,353,758.71	\$ 2,200,926.06	\$ 15,152,832.65
Cost of Goods Sold			
Shipping - COGS	230.12	58,948.37	-58,718.25
Inbound Shipping - COS	68,347.32		68,347.32
Outbound Shipping- COS	550,764.38		550,764.38
Shipping Supplies - COS	64,521.10		64,521.10
Total Shipping - COGS	\$ 683,862.92	\$ 58,948.37	\$ 624,914.55
Square Fees - COGS		23,738.98	-23,738.98
Supplies & Materials - COGS	13,627,480.97	1,779,817.47	11,847,663.50
Total Cost of Goods Sold	\$ 14,311,343.89	\$ 1,862,504.82	\$ 12,448,839.07
Gross Profit	\$ 3,042,414.82	\$ 338,421.24	\$ 2,703,993.58
Expenses			
Advertising & Marketing	152,881.33	106,255.96	46,625.37
Advertising Software	13,111.54		13,111.54
Affiliate Commission	123,807.29		123,807.29
Partner Base Pay	193,363.18		193,363.18
Sponsorship Parts	449,638.04		449,638.04
Total Advertising & Marketing	\$ 932,801.38	\$ 106,255.96	\$ 826,545.42
Bank Fees & Charges	5,539.97	298.26	5,241.71
Bank Fees - eBay	0.60	1,999.95	-1,999.35
Bank Fees - Etsy	1,865.26	1,240.67	624.59
Bank Fees - Paypal	9,524.34	7,352.49	2,171.85
Bank Fees - Square (deleted)		12,695.85	-12,695.85
Melio Credit card fee	173.27		173.27
Square Fees	129,193.89		129,193.89
Total Bank Fees & Charges	\$ 146,297.33	\$ 23,587.22	\$ 122,710.11
Charitable Contributions	701.30	25.00	676.30
Dues & Subscriptions	145.00	1,063.35	-918.35
Insurance	36,231.29	1,476.64	34,754.65
Interest Paid	6,999.99		6,999.99
Labor Costs	2,125.00		2,125.00
Contractors	148,623.17		148,623.17
Contractors & Suppliers (deleted)		18,648.16	-18,648.16
Health Insurance	660.88	5,034.92	-4,374.04
QSEHRA Reimbursements	3,295.20		3,295.20
Total Health Insurance	\$ 3,956.08	\$ 5,034.92	-\$ 1,078.84

Payroll - Taxes	165,732.05	11,655.22	154,076.83
Payroll - Wages	1,940,704.85	122,725.88	1,817,978.97
Payroll Processing Fees	5,507.90	165.00	5,342.90
Total Labor Costs	\$ 2,266,649.05	\$ 158,229.18	\$ 2,108,419.87
Legal & Professional Services	95,511.89	19,862.00	75,649.89
Meals	26,912.76	12,089.39	14,823.37
Moving Expenses	22,442.32	253.54	22,188.78
Noah Medical & Personal Appearance	3,120.65		3,120.65
Office Supplies & Software	103,000.55	8,333.98	94,666.57
Other Business Expenses	14,200.14	1,088.99	13,111.15
QuickBooks Payments Fees	190.00		190.00
Recruiting/Hiring	11,862.50		11,862.50
Rent & Lease	231,151.27	55,140.55	176,010.72
Repairs & Maintenance	7,570.00	1,870.15	5,699.85
Research & Reference	7,450.00		7,450.00
Royalty Payments		502.15	-502.15
Shipping Supplies	440.89	345.78	95.11
Small Equipment & Tools	4,746.54		4,746.54
Supplies & Materials	1,337.02	1,273.52	63.50
Taxes & Licenses	262,415.21	1,702.57	260,712.64
Telephone	304.25	243.40	60.85
Tesla Insurance	279.32		279.32
Travel Expenses	1,443.41		1,443.41
Airline/Hotel	867.90	0.00	867.90
Auto Expenses	469.33		469.33
Fuel/Repairs/Misc	675.91	387.27	288.64
Parking	28.95	48.00	-19.05
Taxi/Rail	3,847.00	1,188.19	2,658.81
Total Travel Expenses	\$ 7,332.50	\$ 1,623.46	\$ 5,709.04
Utilities	47,171.64	6,537.03	40,634.61
Warehouse Supplies	11,440.33		11,440.33
Total Expenses	\$ 4,248,705.12	\$ 401,503.86	\$ 3,847,201.26
Net Operating Income	-\$ 1,206,290.30	-\$ 63,082.62	-\$ 1,143,207.68
Other Income			
Other Income	10,137.98	4,200.00	5,937.98
Patreon Income		3.09	-3.09
Redemption Credit/ CC Rewards	7,747.72	36,716.06	-28,968.34
Total Other Income	\$ 17,885.70	\$ 40,919.15	-\$ 23,033.45
Other Expenses			
Adjustment for 2020 Deferred Revenue	459,128.00		459,128.00
Total Other Expenses	\$ 459,128.00	\$ 0.00	\$ 459,128.00
Net Other Income	-\$ 441,242.30	\$ 40,919.15	-\$ 482,161.45
Net Income	-\$ 1,647,532.60	-\$ 22,163.47	-\$ 1,625,369.13

Tuesday, Mar 22, 2022 01:18:17 PM GMT-7 - Accrual Basis

Artesian Builds
Adjusted Balance Sheet
As of April 20, 2022

	03/24/2022	4/20/2022 Adjusted	Delta
ASSETS			
Cash in Transit	-	19,511.84	19,511.84
BofA Business Checking 8864	(56,251.08)	592.51	56,843.59
PayPal Bank	(20,829.36)	(23,356.86)	(2,527.50)
Venmo	887.00	2,011.00	1,124.00
Total Bank Accounts	(76,193.44)	(1,241.51)	74,951.93
Accounts Receivable (A/R)	20,500.00	20,500.00	-
Retainers	-	300,000.00	300,000.00
Inventory Asset	2,103,807.86	917,595.00	(1,186,212.86)
Total Other Current Assets	2,103,807.86	1,217,595.00	(886,212.86)
Total Current Assets	2,048,114.42	1,236,853.49	(811,260.93)
Accumulated Depreciation	(5,618.00)	(5,618.00)	-
Computers and Equipment	24,613.00	24,613.00	-
Total Fixed Assets	18,995.00	18,995.00	-
WC Office deposit	15,000.00	15,000.00	-
Total Other Assets	15,000.00	15,000.00	-
TOTAL ASSETS	2,082,109.42	1,270,848.49	(811,260.93)
LIABILITIES AND EQUITY			
Accounts Payable (A/P)	-	329,126.07	329,126.07
Credit Cards	233,026.91	-	(233,026.91)
401K Benefit Liability	16,205.48	16,205.48	-
Security Deposit - Tuja International Inc.	-	11,869	11,869.00
Deferred Revenue	2,735,499.00	1,370,000.00	(1,365,499.00)
Loan Payable to Family	853,055.92	1,200,000.00	346,944.08
SBAD Loan	15,000.00	15,000.00	-
Total Other Current Liabilities	4,085,814.22	2,942,200.55	(1,143,613.67)
Total Current Liabilities	4,318,841.13	3,271,326.62	(1,047,514.51)
Total Liabilities	4,318,841.13	3,271,326.62	(1,047,514.51)
EQUITY			
Opening Balance Equity	10,320.88	10,320.88	-
Owner's Draw	(18,714.62)	(18,714.62)	-
Medical Expenses	(566.50)	(566.50)	-
Total Owner's Draw	(19,281.12)	(19,281.12)	-
Owner's Investment	12,418.88	250,000.00	237,581.12
Owner's Pay & Personal Expenses	10,565.74	9,914.24	(651.50)
Retained Earnings	(1,815,392.63)	(2,205,271.69)	(389,879.06)
State Taxes	(17,256.00)	(17,256.00)	-
Net Income	112,684.27	(28,904.44)	(141,588.71)
Total Equity	(1,705,939.98)	(2,000,478.13)	(294,538.15)
TOTAL LIABILITIES AND EQUITY	2,612,901.15	1,270,848.49	(1,342,052.66)

Footnote:

- (1) Retainer amount
- (2) Estimated inventory value per Owner
- (3) Includes commission owed to broker for Cary, NC property and Credit Card liability.
- (4) Total credit card liability moved into AP.
- (5) Owners Estimate
- (6) Increased Secured Loan from Insiders
- (7) Estimated owners investment adjustment.